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BEFORE THE Accepted 6/1/2021 POSTAL REGULATORY COMMISSION WASHINGTON, D.C. 20268–0001

FIRST-CLASS MAIL AND PERIODICALS SERVICE STANDARD CHANGES, 2021

Docket No. N2021-1

RESPONSE OF THE UNITED STATES POSTAL SERVICE WITNESS STEVEN MONTEITH (USPS-T4) TO REVISED INTERROGATORIES AND REQUEST FOR PRODUCTION OF DOCUMENTS OF MAILERS HUB MH/USPS-T1-15, 17(a) REDIRECTED FROM WITNESS CINTRON (June 1, 2021)

The United States Postal Service hereby provides the response of witness Steven Monteith to the above-listed interrogatories. Each interrogatory is stated verbatim and followed by the response.

Respectfully submitted, UNITED STATES POSTAL SERVICE

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MH/USPS-T1-15. Please refer to the statement in your testimony on page 30, line 25, and page 31, lines 1 through 3, that "In order to mitigate any harm from this change, the Postal Service will work to inform retail customers about the service changes, so that they can set appropriate expectations for delivery times."

- a. Please explain the "harm" to which the statement refers and how informing retail customers about the service changes will materially mitigate that "harm."
- b. Please explain how the Postal Service will mitigate "harm" to commercial customers.
- c. Please explain the criteria the Postal Service used to determine that enabling customers to "set appropriate expectations for delivery times" will mitigate "harm" to those customers interests, and how that would offset dissatisfaction over slower service.

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RESPONSE:

- a. The "harm" described by the Direct Testimony of Robert Cintron refers to some instances where the proposal would result in increased delivery times for certain mail pieces. Informing retail customers about the service standards changes will materially mitigate that "harm" by allowing retail customers to make informed decisions about their mailings, including placing letters and flats affected by the service standard change in the mail earlier to allow more time for delivery.
- b. Similar to retail customers, informing commercial customers about the service standards changes allows commercial customers to make informed decisions as to their business processes and their mailings affected by the service standard change.
- c. The Postal Service will continue to monitor the customers' perspective through the Brand Health Tracker survey and other channels. We expect that the proposal will result in the Postal Service's delivery performance

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becoming more reliable through consistently meeting or exceeding the new service performance target of 95 percent.

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MH/USPS-T1-17. Please refer to your testimony in section V, *The Postal Service's Proposed Network Operations Changes Are Consistent With The Policies And Requirements Of Title 39, United States Code.*

a. Please explain whether the Postal Service considers First-Class Mail service performance to be a "driver of First-Class Mail revenue loss." .*.*.*.*

RESPONSE:

a. While service performance may influence customer satisfaction with First-Class Mail, the primary driver of First-Class Mail revenue loss is overwhelming digital substitution. Direct Testimony of Thomas E. Thress on Behalf of the United States Postal Service (USPS-T-5), PRC Docket No. N2021-1 (Apr. 21, 2021), at pp. 20, 22; Direct Testimony of Steven W. Monteith on Behalf of the United States Postal Service (USPS-T-4), PRC Docket No. N2021-1 (Apr. 21, 2021), at pp. 12-13.